

FY 2005-06 BUDGET

BUDGET DIVISION SUMMARY

Section Title:

WATER TRANSMISSION SYSTEM

A. Program Description

This section includes the operations and maintenance (O&M), construction projects and debt service obligations related to the Agency's Water Transmission System.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST / USE OF FUND BALANCE		
	FY 04-05 Adopted	FY 05-06 Requested	Percent Change	FY 04-05 Adopted	FY 05-06 Requested	Percent Change
Water Trans. Agency Fund	\$31,754,258	\$31,617,346	(0.43%)	\$5,229,262	\$4,004,537	(23.42%)
SR Aqueduct Capital Fund	0	0	N/A	(445,735)	(462,972)	3.87%
Petaluma Aq. Capital Fund	0	0	N/A	(776,107)	(811,227)	4.53%
Forestville Aq. Capital Fund	0	0	N/A	(550)	(517)	(5.97%)
Sonoma Aq. Capital Fund	0	0	N/A	(875)	(822)	(6.09%)
Sonoma Aq. Revenue Bond	3,074,554	172,909	(94.38%)	2,772,630	(129,244)	(104.66%)
Storage Revenue Bond	4,687,368	1,210,443	(74.18%)	4,313,222	840,475	(80.51%)
Common Rev. Bond Fund	5,747,266	894,566	(84.43%)	5,240,518	388,559	(92.59%)
State Loan Debt Service	438,834	1,221,913	178.45%	(762,325)	14,267	(101.87%)
State Loan Reserve	0	0	N/A	(122,891)	(119,640)	(2.65%)
Storage Facilities	4,127,500	1,207,000	(70.76%)	(355,000)	190,048	(153.53%)
Pipeline Facilities	2,995,000	15,000	(99.50%)	93,750	(809)	(100.86%)
Common Facilities	4,692,758	2,502,758	(46.67%)	(782,242)	889,114	(213.66%)
North Marin Water Deposit	0	0	N/A	(225)	(251)	11.67%
TOTAL:	\$57,517,538	\$38,841,935	(32.47%)	\$14,403,432	\$4,801,518	(66.66%)

C. Staffing Summary

No staffing is allocated to indexes within this section. Refer to the Administration and General Section.

D. Workload Summary

Refer to the individual sections for information regarding work performed.

E. Summary of Issues and Significant Changes

Refer to the Departmental Budget Summary for a summary of issues and significant changes.

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: WATER TRANSMISSION AGENCY FUND

Section/Index No: 675108

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$150,000	\$143,111	(\$6,889)	(4.59%)
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$150,000	\$143,111	(\$6,889)	(4.59%)

CHARGES FOR SERVICES

3666 Meter Service / Installation	\$25,000	\$25,000	\$0	0.00%
Subtotal Charges for Service	\$25,000	\$25,000	\$0	0.00%

MISCELLANEOUS REVENUES

4039 Sale - Power	1,200,000	1,050,000	(150,000)	(12.50%)
4161 Water Sales - O&M	21,610,535	22,838,752	1,228,217	5.68%
4162 Common Rev. Bd. Chg.	1,590,395	1,589,860	(535)	(0.03%)
4163 Storage Rev. Bd. Chg.	356,646	356,217	(429)	(0.12%)
4164 Sonoma Aq. Rev. Bd. Chg.	293,174	292,749	(425)	(0.14%)
4165 Petaluma Aq. Rev. Bd. Chg.	0	0	0	N/A
4166 Santa Rosa Aq. Cap. Chg.	365,735	373,427	7,692	2.10%
4167 Petaluma Aq. Rev. Bd. Chg.	708,607	718,864	10,257	1.45%
4168 Sonoma Aq. Cap. Charge	0	0	0	N/A
4169 NM Revenue Bond Charge	224,904	224,829	(75)	(0.03%)
Subtotal Miscellaneous Revenues	\$26,349,996	\$27,444,698	\$1,094,702	4.15%

TOTAL REVENUES	\$26,524,996	\$27,612,809	\$1,087,813	4.10%
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EXPENDITURES:

SERVICES AND SUPPLIES

6040 Communications	30,000	30,000	0	0.00%
6140 Maintenance - Equipment	100,000	100,000	0	0.00%
6180 Maintenance - Buildings	7,446,600	5,361,400	(2,085,200)	(28.00%)
6262 Laboratory Supplies	25,000	25,000	0	0.00%
6280 Memberships	100,000	100,000	0	0.00%
6461 Supplies / Expenses	100,000	100,000	0	0.00%
6512 Testing / Analysis	150,000	200,000	50,000	33.33%
6522 District Services	6,251,000	6,283,000	32,000	0.51%

SUMMARY OF REVENUES AND EXPENDITURESIndex No.: **675108**

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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EXPENDITURES:**SERVICES AND SUPPLIES (Contd.)**

6553 Contract - Security Services	30,000	30,000	0	0.00%
6570 Consultant Services	650,000	850,000	200,000	30.77%
6610 Legal Services	200,000	200,000	0	0.00%
6820 Rents and Leases - Equipment	25,000	25,000	0	0.00%
6880 Small Tools - Instruments	25,000	25,000	0	0.00%
6889 Software	10,000	10,000	0	0.00%
7052 Out of State Use Tax	5,000	5,000	0	0.00%
7201 Gas / Oil	15,000	15,000	0	0.00%
7206 Equipment Usage Charge	550,000	550,000	0	0.00%
7212 Chlorine Chemical / Recorder	525,000	525,000	0	0.00%
7217 State Permits / Fees	30,000	50,000	20,000	66.67%
7247 Water Conservation Program	2,068,909	2,000,000	(68,909)	(3.33%)
7277 Recycled Water Use Prog	825,788	2,000,000	1,174,212	142.19%
7296 FERC Fees / Costs	5,000	5,000	0	0.00%
7302 Travel Expense	8,000	8,000	0	0.00%
7303 Private Car Expense	6,000	6,000	0	0.00%
7320 Utilities	5,000	5,000	0	0.00%
7394 Power	5,400,000	5,750,000	350,000	6.48%
Subtotal Services and Supplies	\$24,586,297	\$24,258,400	(\$327,897)	(1.33%)

OTHER CHARGES

7980 Depreciation	\$3,000,000	\$3,000,000	\$0	0.00%
8010 Contribution to Non-County	\$153,500	\$128,000	(\$25,500)	(16.61%)
Subtotal Other Charges	\$3,153,500	\$3,128,000	(\$25,500)	(0.81%)

FIXED ASSETS

8510 Buildings / Improvements	\$100,000	\$100,000	\$0	0.00%
8533 SCWA - New Metered Service	25,000	25,000	0	0.00%
8560 Equipment	50,000	50,000	0	0.00%
Subtotal Fixed Assets	\$175,000	\$175,000	\$0	0.00%

OTHER FINANCING USES

8625 OT - W/in Special Dist - BOS	\$3,539,461	\$3,755,946	\$216,485	6.12%
Subtotal Other Financing Uses	\$3,539,461	\$3,755,946	\$216,485	6.12%

SUMMARY OF REVENUES AND EXPENDITURESIndex No.: **675108**

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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EXPENDITURES:**APPROPRIATIONS FOR CONTIN.**

9000 Appropriations for Contingencies	\$300,000	\$300,000	\$0	0.00%
Subtotal Approp. for Contingencies	\$300,000	\$300,000	\$0	0.00%

TOTAL EXPENDITURES	\$31,754,258	\$31,617,346	(\$136,912)	(0.43%)
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	\$5,229,262	\$4,004,537	(\$1,224,725)	(23.42%)
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FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Water Transmission Agency Fund

Character Title: Use of Money and Property

Character No.: 675108-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	5,724,444
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$143,111</u>

Character Title: Charges for Service

Character No.: 675108-30

3666 Meter Service / Installation

This item reflects revenue received for installation of water meters. Actual revenues fluctuate from year to year based on requests for service. Expenditures associated with meter installation are budgeted in 675108-8533, SCWA - New Metered Service. No increase is requested.

Character Title: Other Financing Sources

Character No.: 675108-46

4039 Sale - Power

This item records revenue from the sale of power. This item is being reduced to reflect anticipated revenues.

- 4161 Water Sales - O&M***
- 4162 Common Facilities Revenue Bond Charge***
- 4163 Storage Facilities Revenue Bond Charge***
- 4164 Sonoma Aqueduct Revenue Bond Charge***
- 4165 Petaluma Aqueduct Revenue Bond Charge***
- 4166 Santa Rosa Aqueduct Revenue Bond Charge***
- 4167 Petaluma Aqueduct Capital Charge***
- 4168 Sonoma Aqueduct Capital Charge***
- 4169 North Marin Revenue Bond Charge***

Under the terms of the Sixth Supplemental Ordinance adopted in December 2002, all water transmission system revenues are to be first deposited in the Agency fund and later transferred to the appropriate funds. To facilitate this provision, the line items listed above are used to record different types of revenues.

6040 Communications

PCAS No.

This item is requested to provide funds for communication costs for radio, telephone and data line charges.

6180 Maintenance - Buildings

PCAS No. Various

This item is requested to provide funds for the maintenance of the pumping, storage, pipeline and hydro-electric facilities. Details furnished below.

DESCRIPTION	Adopted FY 04-05	Requested FY 05-06
Air Valve Upgrade	0	600,000
Annual Calibration of Electrical Equipment	12,000	12,000
Annual Maintenance of Power Lines	35,000	35,000
Aqueduct Cathodic Protection	1,087,000	0
Battery Service Agreement	8,600	8,600
Boosters & RDS - Spare Contactors	10,000	5,000
Cathodic Protection Study	25,000	25,000
Cathodic Protection (Caissons 2,3,4,5)	150,000	75,000
Cathodic Protection (Ralphine 3)	50,000	0
Caustic Soda Metering Pump Parts	8,500	8,500
Chlorine Parts and Detectors	73,000	74,000
Computer Equipment Upgrade	5,000	5,000
Cotati Tank #2 Recoat	75,000	2,430,000
Ely Switchgear Upgrade	10,000	0
Engineering Service Agreement	30,000	30,000
Exchange Flow Meters	65,000	0
Generator Maintenance	50,000	60,000
Hart Communicator	9,500	0
Kastania 16" Mag Meter Replacement	35,000	0
Kastania Booster Station Electrical Upgrade	25,000	50,000
Kastania Booster Station Pump Motor	60,000	40,000
Kastania Booster Station Switchgear Upgrade	35,000	0
Kawana Tank Project - Telemetry Equipment	0	10,000
Los Guillicos Res. Recoat	1,342,000	0
Mainline Meters	0	80,000
Mirabel Closed Circuit TV Upgrade	145,000	0
Mirabel Environment Equipment Shed	335,000	0
Mirabel Generator Upgrade	25,000	25,000
Mirabel Pumphouse 3,4 \$ 5 Grounding Grid	50,000	0
Mirabel Transformer Spares	60,000	80,000
Onterface Module	4,000	0
pH/Chlorine Analyzer - Spare	5,000	5,500
Pond Maintenance	70,000	60,000
Pumphouse 3,4 - Contactor Replacement	350,000	0

Continued on Next Page

6180 Maintenance - Buildings (Contd.)

DESCRIPTION	Adopted FY 04-05	Requested FY 05-06
Rincon Valley Booster Stn. New Roof	75,000	0
SEB, Well Motor Starter Upgrade	35,000	0
Software - ProWorks 32	11,000	0
Sonoma Aqueduct Emergency Repair Equipment	70,000	0
Sonoma Booster #1 - Elect. Serv. Upgrade	457,800	457,800
Sonoma Booster Stn 1 - Pump, Motor, & Valve Rebuild	350,000	0
Sonoma Booster Stn 4 - Pump and Motor Rebuild	35,000	0
Storage Tank Seismic Upgrades	0	500,000
Tank Cleaning and Inspection	50,000	50,000
Telemetry System Replacement	75,000	75,000
Test Equipment	10,000	10,000
Transfer Switch Maintenance	25,000	25,000
Warm Springs Dam Elevator Modernization	80,000	0
Warm Springs Dam Flow Meter	25,000	0
Warm Springs Dam Protective Relay	25,000	0
Warm Springs Dam Runner/Generator	200,000	150,000
Water System Instrument Spares	15,000	15,000
Wilfred Booster - Upgrade Motor/Switchgear	60,000	60,000
Wohler & Mirabel 12 KV Transformer Maintenance	70,000	0
Wohler & Mirabel Underground Power Lines	800,000	0
Wohler Chlorinator Replacement	0	15,000
Wohler Closed Circuit TV Upgrade	35,000	5,000
Wohler Control Building Roof Repair	80,000	0
Wohler Energy Efficient Motors (2)	185,000	85,000
Wohler PDS Unit Annual Maint.	25,000	30,000
Wohler Pumphouse 1&2 Stairway Replacement	273,200	30,000
Wohler Switchgear Upgrade	100,000	100,000
Wohler Substation Maintenance	35,000	35,000
6180 Total	7,446,600	5,361,400

6262 Laboratory Supplies / Expenses

PCAS No. 609-2, 609-5, 3288

This account records expenses for supplies and expenses associated with the laboratory.

6280 Memberships

This account records expenses for memberships to professional organizations.

6461 Supplies / Expenses

PCAS No. 702, 3288

This account records expenses for routine office supplies and expenses.

6512 Testing / Analysis

PCAS No. 609-2, 3288

This account records expenses incurred to comply with all regulatory testing requirements.

6522 District Services

PCAS No. Various

This item is requested to provide funds for the charging of salaries, benefits and overhead costs for staff assigned to the water transmission system. The amount requested reflects anticipated salary increases for next fiscal year. This item also covers necessary service contracts for maintenance of Water Transmission System Facilities.

6553 Contract - Security Services

This item is requested to provide funds to contract for outside security services to patrol Agency facilities at Wohler and Mirabel.

6570 Consultant Services

This item covers the costs of services provided by outside consultants. This item fluctuates based on the Agency's need and workload. This request of \$850,000 is primarily for:

1) Natural Hazard Reliability Assessment - Phase II (\$450,000)

The Agency began Phase I of the Natural Hazard Reliability Assessment in Fiscal Year 04-05. Phase II of the Assessment will include: 1) detailed assessment of risks to the water transmission system and its components, 2) analysis of mitigation measures to address these risks, and 3) creation of a Capital Improvement Plan (CIP) that will prioritize these mitigation measures. It is anticipated the total cost of Phase II will be around \$600,000, of which \$450,000 will be incurred during FY 05-06.

2) Urban Water Management Plan 2005 (\$250,000)

This project was started in Fiscal Year 04-05 and is scheduled for completion no later than December 31, 2005. The Urban Water Management Planning Act requires the preparation of a plan every 5 years for water suppliers with over 3,000 service connections to be eligible for state funding support. The project will be conducted by Agency staff and supported by a consultant to assist the Agency's contractors in preparing their respective portions of the UWMP.

3) Russian River Water Quality Project (\$150,000)

These funds are requested for the last year of a three-year study of water quality in the Russian River. This joint study between SCWA and the United States Geological Survey (USGS) is designed to develop a water quality "baseline" for the Russian River and provide information needed to understand how water quality may be affected by changes in the flow regime of the Russian River.

Total \$850,000

6610 Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel or outside legal services, as required.

6820 Rents and Leases - Equipment

This item is requested to provide funds for rents and leases of equipment.

6880 Small Tools - Instruments

This item is requested to provide funds for the purchase of small tools, instruments and equipment that are individually under \$5,000.

6889 Software

This account provides funds for productivity software packages.

Character:

Services and Supplies (continued)

Character No.:

675108-60

7052 Out of State Use Tax

This item budgets for use tax collected by the State of California on purchases from out-of-state vendors.

7201 Gas / Oil

Gas/Oil includes the costs of gas, diesel, and oil to operate the Agency's emergency generators.

7206 Equipment Usage Charge

This item is requested to provide funds for equipment usage.

7212 Chlorine Chemical / Recorder

This sub-object provides funds for the purchase of chlorine gas used in chlorinating water prior to transporting to customers. This sub-object also provides funds for caustic soda required by the pH system.

7217 State Permits / Fees

This item is requested to provide funds for various permits and fees required by the State for Agency operations.

7247 Water Conservation Program

This item is requested to provide funds for the Agency's water conservation and education programs. The Agency is currently implementing expanded water conservation programs with the Agency's prime water contractors to achieve a 6,600 acre foot reduction in water usage.

7277 Recycled Water Use Program

The Water Advisory Committee has requested funding for this item be set at \$2 million for FY 05-06. Since the Agency holds unused funds allocated in prior years in a reserve, it is recommended this item is funded through a combination of current year revenues (\$900,000) and reserves (\$1,100,000).

7296 FERC Fees / Costs

This item is requested to provide funds for fees paid to the Federal Energy Commission for licensing costs associated with the Agency's Hydro-Electric facility at Warm Springs Dam.

7302 Travel Expense

This item is requested to provide funds to cover the cost of travel expenses to meetings and seminars by Agency staff.

7303 Private Car Expense

This item is requested to provide funds to reimburse employees for the use of their private vehicles.

7320 Utilities

This item is requested to provide funds for utility costs associated with water transmission system facilities.

7394 Power

The item is requested to provide funds for PG&E costs required to meet the pumping demands of the water transmission system and to operate other water transmission facilities including the Early Warning Stations.

Character:

Other Charges

Character No.:

675108-75

7980 Depreciation

This item is requested to provide appropriations for depreciation of the water transmission system buildings, improvements and equipment. All completed construction projects from Storage Facilities, Pipeline Facilities and Common Facilities are transferred to the Water Transmission fund upon completion and depreciation is booked in the Water Transmission fund. No cash expenditure of funds is made.

Character: Other Charges (contd.)

Character No.: 675108-75

8010 Contribution to Non-County

This item is requested to fund the Business Environmental Alliance (BEA) to facilitate the development of practical programs that help businesses voluntarily adopt sound water conservation practices, while enhancing their financial performance.

Character: Fixed Assets

Character No.: 675108-85

8510 Buildings / Improvements

This item is requested to provide funds for replacement and or improvement projects that may need to be undertaken during the fiscal year.

8533 SCWA - New Metered Service

PCAS No. 2885 - 2894

This item provides funds for the installation of meters, turnouts and taps on the Agency's pipelines. Reimbursement for these expenditures is budgeted in 675108-3666, Meter Service / Installation.

8560 Equipment

This item is requested to provide funds for equipment purchases which may be identified during the fiscal year.

Character: Other Financing Uses

Character No.: 675108-86

8625 OT - W/in Special Dist - BOS

Transfer to capital and debt service funds - per recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement and the Sixth Supplemental Ordinance.

Santa Rosa Aqueduct Capital Fund	\$373,427
Petaluma Aqueduct Capital Fund	718,864
Sonoma Aqueduct Capital Fund	0
Sonoma Aqueduct Revenue Bond Fund	292,749
Storage Facilities Revenue Bond Fund	356,217
Common Facilities Revenue Bond Fund	498,641
Common Facilities Fund	200,000
State Loan Debt Service Fund	1,196,407
State Loan Reserve Fund	119,640
Total	\$3,755,946

Character: Appropriations for Contingencies

Character No.: 675108-90

9000 Appropriations for Contingencies

This reserve is established for unanticipated costs which may arise during the fiscal year.

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Water Transmission Agency Fund

Index No.: 675108

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$9,481,675	\$7,737,405	\$5,675,981
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	27,957,841	25,286,695	27,612,809
Expenditures - (Decrease) fund balance	(32,035,604)	(31,760,292)	(31,617,346)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(4,077,763)	(6,473,597)	(4,004,537)
Adjustments to Reserves/Encumbrances:			
Depreciation	2,458,249	3,000,000	3,000,000
Outstanding Encumbrances - (Decrease) Fund Balance	878,972	0	
PY Encumbrances	0	1,412,173	
Increase in Recycled/Conservation Deposits	(1,005,671)	0	1,100,000
Reclass of Prior Year Asset	1,943	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	2,333,493	4,412,173	4,100,000
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	7,737,405	5,675,981	5,771,444
Total Increase/(Decrease) in Fund Balance for Fiscal Year			
<i>(Difference between Beginning and Ending Balance)</i>	(\$1,744,270)	(\$2,061,424)	\$95,463
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$12,535,435	\$10,444,230	
Accounts Receivable	3,408,516	3,644,830	
Deposits with Others	13,000	13,000	
Inventory of Materials and Supplies	260,446	283,039	
Accounts Payable	(1,756,094)	(1,545,056)	
Reserved for Conservation/Recycled	(2,688,483)	(3,694,154)	
Encumbrances	(2,291,145)	(1,412,173)	
Total Beginning Fund Balance	\$9,481,675	\$7,733,716	

FY 2005-06 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SANTA ROSA AQUEDUCT CAPITAL FUND
Section/Index No: 675207

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$80,000	\$89,545	\$9,545	11.93%
1760 Investment Income	0	0	0	N/A
<i>Subtotal Use of Money</i>	\$80,000	\$89,545	\$9,545	11.93%

MISCELLANEOUS REVENUES

4035 Sale - Water Resale	\$0	\$0	\$0	N/A
4036 Sale - Water Government	0	0	0	N/A
<i>Subtotal Miscellaneous Revenues</i>	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$365,735	\$373,427	\$7,692	2.10%
<i>Subtotal Other Financing Sources</i>	\$365,735	\$373,427	\$7,692	2.10%

TOTAL REVENUES	\$445,735	\$462,972	\$17,237	3.87%
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EXPENDITURES:

ADMINISTRATIVE CONTROL ACCT

9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
<i>Subtotal Administrative Control</i>	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
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TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$445,735)	(\$462,972)	(\$17,237)	3.87%
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FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Santa Rosa Aqueduct Capital Fund

Character Title: Use of Money and Property

Character No.: 675207-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	3,581,786
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$89,545</u>

Character Title: Other Financing Sources

Character No.: 675207-46

4625 OT - W/in Special Dist - BOS

An Aqueduct Capital Charge of \$20.00 per Acre Foot is being levied to accumulate funds for carrying out capital replacement needs of the Santa Rosa Aqueduct - per recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement. This amount is initially deposited in the Water Transmission Agency Fund and later transferred to the Santa Rosa Aqueduct Capital Fund pursuant to the terms of the Sixth Supplemental Ordinance.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Santa Rosa Aqueduct Capital Fund

Index No.: 675207

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$2,519,240	\$2,915,322	\$3,350,322
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	396,082	435,000	462,972
Expenditures - (Decrease) fund balance	0	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	396,082	435,000	462,972
Adjustments to Reserves/Encumbrances:			
No adjustments required at this time.	0	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	0	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	2,915,322	3,350,322	3,813,294
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$396,082	\$435,000	\$462,972
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$2,519,240	\$2,915,322	
Total Beginning Fund Balance	\$2,519,240	\$2,915,322	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: PETALUMA AQUEDUCT CAPITAL FUND
 Section/Index No: 675215

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$67,500	\$92,363	\$24,863	36.83%
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$67,500	\$92,363	\$24,863	36.83%

MISCELLANEOUS REVENUES

4035 Sale - Water Resale	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenues	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$708,607	\$718,864	\$10,257	1.45%
Subtotal Other Financing Sources	\$708,607	\$718,864	\$10,257	1.45%

TOTAL REVENUES	\$776,107	\$811,227	\$24,863	3.20%
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EXPENDITURES:

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
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TOTAL NET COST (Expenditures Minus Revenues)	(\$776,107)	(\$811,227)	(\$24,863)	3.20%
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FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Petaluma Aqueduct Capital Fund

Character Title: Use of Money and Property

Character No.: 675215-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	3,694,502
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$92,363</u>

Character Title: Other Financing Sources

Character No.: 675215-46

4625 OT - W/in Special Dist - BOS

An Aqueduct Capital Charge of \$40.00 per Acre Foot is being levied to accumulate funds for carrying out capital replacement needs of the Petaluma Aqueduct - per recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement. This amount is initially deposited in the Water Transmission Agency Fund and later transferred to the Petaluma Aqueduct Capital Fund pursuant to the terms of the Sixth Supplemental Ordinance.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Petaluma Aqueduct Capital Fund

Index No.: 675215

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$1,770,358	\$2,584,070	\$3,289,070
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	813,712	705,000	811,227
Expenditures - (Decrease) fund balance	0	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	813,712	705,000	811,227
Adjustments to Reserves/Encumbrances:			
No adjustments required at this time.	0	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	0	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	2,584,070	3,289,070	4,100,297
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$813,712	\$705,000	\$811,227
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$1,770,358	\$2,584,068	
Bonds Payable - current	0	0	
Total Beginning Fund Balance	\$1,770,358	\$2,584,068	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: FORESTVILLE AQUEDUCT CAPITAL FUND

Section/Index No: 675223

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$550	\$517	(\$33)	(5.97%)
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$550	\$517	(\$33)	(5.97%)

MISCELLANEOUS REVENUES

4035 Sale - Water Resale	\$0	\$0	\$0	N/A
Subtotal Miscellaneous Revenues	\$0	\$0	\$0	N/A

TOTAL REVENUES	\$550	\$517	(\$33)	(5.97%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$0	\$0	\$0	N/A
Subtotal Services and Supplies	\$0	\$0	\$0	N/A

OTHER CHARGES

7920 Interest	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
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TOTAL NET COST	(\$550)	(\$517)	\$33	(5.97%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Forestville Aqueduct Capital Fund

Character Title: Use of Money and Property

Character No.: 675223-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	20,687
Projected Interest Rate	2.50%
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Projected/Planned Interest on Pooled Cash	\$517

Character Title: Other Financing Sources

Character No.: 675223-46

4625 OT - W/in Special Dist - BOS

No Aqueduct Capital Charge is being levied - per recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Forestville Aqueduct Capital Fund

Index No.: 675223

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$19,397	\$19,812	\$20,437
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	415	625	517
Expenditures - (Decrease) fund balance	0	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	415	625	517
Adjustments to Reserves/Encumbrances:			
No adjustments required at this time.	0	0	0
Net Adjustment - Increase/(Decrease) to Fund Balance	0	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	19,812	20,437	20,954
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$415	\$625	\$517
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$19,397	\$19,812	
Bonds Payable - current	0	0	
Total Beginning Fund Balance	\$19,397	\$19,812	

FY 2005-06 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA AQUEDUCT CAPITAL FUND
Section/Index No: 675231

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$875	\$822	(\$53)	(6.09%)
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$875	\$822	(\$53)	(6.09%)
<u>MISCELLANEOUS REVENUES</u>				
4035 Sale - Water Resale	\$0	\$0	\$0	N/A
4036 Sale - Water Government	0	0	0	N/A
Subtotal Miscellaneous Revenues	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
4200 Long Term Debt Proceeds	\$0	\$0	\$0	N/A
4209 Long Term Debt Clearing	0	0	\$0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$875	\$822	(\$53)	(6.09%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
6635 Fiscal Agent Fees	\$0	\$0	\$0	N/A
Subtotal Services and Supplies	\$0	\$0	\$0	N/A
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
TOTAL NET COST (Expenditures Minus Revenues)	(\$875)	(\$822)	\$53	(6.09%)

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Sonoma Aqueduct Capital Fund

Character Title: Use of Money and Property

Character No.: 675231-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	32,869
Projected Interest Rate	2.50%
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Projected/Planned Interest on Pooled Cash	\$822

Character Title: Other Financing Sources

Character No.: 675231-46

4625 OT - W/in Special Dist - BOS

No Aqueduct Capital Charge is being levied - per recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement.

Character: Other Financing Uses

Character No.: 675231-86

8625 Operating Transfer Out

This item is used to transfer available fund balance to Pipeline Facilities Fund to finance construction of the Eldridge-Madrone pipeline project.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Sonoma Aqueduct Capital Fund

Index No.: 675231

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$527,910	\$31,594	\$32,469
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	3,684	875	822
Expenditures - (Decrease) fund balance	(500,000)	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(496,316)	875	822
Adjustments to Reserves/Encumbrances:			
No adjustments required at this time.	0	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	0	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	31,594	32,469	33,291
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	(\$496,316)	\$875	\$822
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$527,910	\$31,594	
Total Beginning Fund Balance	\$527,910	\$31,594	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA AQUEDUCT REVENUE BONDS

Section/Index No: 675470

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$8,750	\$9,404	\$654	7.48%
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$8,750	\$9,404	\$654	7.48%

ADMINISTRATIVE CONTROL ACCOUNT

4200 Long Term Debt Proceeds	\$0	\$0	\$0	N/A
4209 Long Term Debt Clearing	0	0	\$0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$293,174	\$292,749	(\$425)	(0.14%)
Subtotal Miscellaneous Revenues	\$293,174	\$292,749	(\$425)	(0.14%)

TOTAL REVENUES	\$301,924	\$302,153	\$229	0.08%
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$500	\$520	\$20	4.00%
6640 Debt Issuance Costs	2,320	2,320	0	0.00%
Subtotal Services and Supplies	\$2,820	\$2,840	\$20	0.71%

OTHER CHARGES

7920 Long-Term Interest	\$171,415	\$169,807	(\$1,608)	(0.94%)
7923 Discount / Bonds	319	262	(57)	(17.87%)
Subtotal Other Charges	\$171,734	\$170,069	(\$1,665)	(0.97%)

OTHER FINANCING USES

8625 OT - W/in Special Dist - BOS	\$2,900,000	\$0	(\$2,900,000)	(100.00%)
Subtotal Other Financing Uses	\$2,900,000	\$0	(\$2,900,000)	(100.00%)

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$80,380	\$81,655	\$1,275	1.59%
9209 Ent - Principal Clearing	(80,380)	(81,655)	(1,275)	1.59%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$3,074,554	\$172,909	(\$2,901,645)	(94.38%)
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TOTAL NET COST	\$2,772,630	(\$129,244)	(\$2,901,874)	(104.66%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Sonoma Aqueduct Revenue Bonds

Character Title: Use of Money and Property

Character No.: 675470-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	376,178
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$9,404</u>

Character Title: Other Financing Sources

Character No.: 675470-46

4625 OT - W/in Special Dist - BOS

The water sales revenue is calculated to meet the revenue requirements of the Sonoma Aqueduct portion of the Water Revenue Bonds, Series 2003 A. The revenue is required to meet 115% of the annual debt service costs of the bonds. The revenue is initially deposited in the Water Transmission Agency Fund and later transferred to the Sonoma Aqueduct Revenue Bond, pursuant to the terms of the Sixth Supplemental Ordinance.

Annual Debt Service Requirements

Principal	\$81,655
Interest	169,807
Fiscal Agent Fees	520
Debt Issuance Costs	2,320
Discount / Bonds	262
Total Debt Service	<u>254,564</u>
Revenue Requirement (115% x Debt Service)	<u><u>\$292,749</u></u>

Character: Services and Supplies

Character No.: 675470-60

6635 Fiscal Agent Fees

Fiscal Agent Fees are paid to trustee for servicing bonds.

6640 Debt Issuance Costs

Amounts are based on bond amortization schedules. Bond discounts and costs of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: Other Charges

Character No.: 675470-75

7920 Interest

Water Revenue Bonds - Series 2003A, per the bond amortization schedule.

7923 Discount / Bonds

Amounts are based on bond amortization schedules. Bond discounts and cost of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: Other Financing Uses

Character No.: 675470-86

8625 Operating Transfer Out

This item is used to transfer bond proceeds to Pipeline Facilities Fund to finance construction of projects.

Character: Administrative Account

Character No.: 675470-92

9200 ENT - Principal

This account reflects the principal payment for the Water Revenue Bond, Series 2003A. The request for the forthcoming fiscal year is based on the projected amortization schedule.

9209 ENT - Principal - Clearing

This is the clearing account for the sub-object 9200, ENT - Principal.

FY 2005-06 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Sonoma Aqueduct Revenue Bonds

Index No.: 675454

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$3,615,324	\$3,174,969	\$351,094
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	379,333	330,000	302,153
Expenditures - (Decrease) fund balance	(743,167)	(3,075,871)	(172,909)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(363,834)	(2,745,871)	129,244
Adjustments to Reserves/Encumbrances:			
(Increase)/Decrease in Bonds Payable	(42,103)	(1,276)	0
Principal Payments on Bonds	(37,000)	(79,310)	(81,655)
Amortization of Bond Discount	262	262	262
Amortization of Bond Issuance Costs	2,320	2,320	2,320
Net Adjustment - Increase/(Decrease) to Fund Balance	(76,521)	(78,004)	(79,073)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	3,174,969	351,094	401,265
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	(\$440,355)	(\$2,823,875)	\$50,171
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$3,359,696	\$2,910,324	
Cash with fiscal agent/trustee	376,600	430,245	
Bonds Payable - current	(37,000)	(79,310)	
Interest Payable	(83,972)	(86,498)	
Total Beginning Fund Balance	\$3,615,324	\$3,174,761	

FY 2005-06 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: STORAGE FACILITIES REVENUE BONDS
Section/Index No: 675462

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$17,500	\$13,751	(\$3,749)	(21.42%)
Subtotal Use of Money	\$17,500	\$13,751	(\$3,749)	(21.42%)

ADMINISTRATIVE CONTROL ACCOUNT

4200 Long Term Debt Proceeds	\$0	\$0	\$0	N/A
4209 Long Term Debt Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$356,646	\$356,217	(\$429)	(0.12%)
Subtotal Miscellaneous Revenues	\$356,646	\$356,217	(\$429)	(0.12%)

TOTAL REVENUES	\$374,146	\$369,968	(\$4,178)	(1.12%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$750	\$780	\$30	4.00%
6640 Debt Issuance Costs	2,822	2,822	0	0.00%
Subtotal Services and Supplies	\$3,572	\$3,602	\$30	0.84%

OTHER CHARGES

7920 Long-Term Interest	\$208,477	\$206,522	(\$1,955)	(0.94%)
7923 Discount / Bonds	\$319	\$319	\$0	0.00%
Subtotal Other Charges	\$208,796	\$206,841	(\$1,955)	(0.94%)

OTHER FINANCING USES

8625 OT - W/in Special Dist - BOS	\$4,475,000	\$1,000,000	(\$3,475,000)	(77.65%)
Subtotal Other Financing Uses	\$4,475,000	\$1,000,000	(\$3,475,000)	(77.65%)

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$97,759	\$99,311	\$1,552	1.59%
9209 Ent - Principal Clearing	(97,759)	(99,311)	(1,552)	1.59%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$4,687,368	\$1,210,443	(\$3,476,925)	(74.18%)
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TOTAL NET COST	\$4,313,222	\$840,475	(\$3,472,747)	(80.51%)
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(Expenditures Minus Revenues)

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Storage Facilities Revenue Bonds

Character Title: Use of Money and Property

Character No.: 675462-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	550,032
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$13,751</u>

Character Title: Administrative Control

Character No.: 675462-42

4200 ENT - LTD Proceeds

The Kawana Tank # 2 has been funded with revenue bonds issued in FY 02-03. No new appropriations are requested for the next fiscal year.

4209 ENT - LTD Proceeds - Clearing

This is the clearing account for sub-object 4200, ENT - LTD Proceeds

Character Title: Other Financing Sources

Character No.: 675462-46

4625 OT - W/in Special Dist - BOS

The water sales revenue is calculated to meet the revenue requirements of the Storage Facilities portion of the Water Revenue Bonds, Series 2003 A. The revenue is required to meet 115% of the annual debt service costs of the bonds. The revenue is initially deposited in the Water Transmission Agency Fund and later transferred to the Storage Facilities Revenue Bond, pursuant to the terms of the Sixth Supplemental Ordinance.

Annual Debt Service Requirements

Principal	\$99,311
Interest	206,522
Fiscal Agent Fees	780
Debt Issuance Costs	2,822
Discount / Bonds	319
Total Debt Service	<u>309,754</u>
Revenue Requirement (115% x Debt Service)	<u><u>\$356,217</u></u>

Character: **Services and Supplies**

Character No.: **675462-60**

6635 Fiscal Agent Fees

Fiscal Agent Fees are paid to trustee for servicing bonds.

6640 Debt Issuance Costs

Amounts are based on bond amortization schedules. Bond discounts and costs of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: **Other Charges**

Character No.: **675462-75**

7920 Interest

Water Revenue Bonds - Series 2003A, per the bond amortization schedule.

7923 Discount / Bonds

Amounts are based on bond amortization schedules. Bond discounts and cost of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: **Other Financing Uses**

Character No.: **675462-86**

8625 Operating Transfer Out

This item is used to transfer bond proceeds to Storage Facilities Fund to finance construction of projects.

Character: **Administrative Account**

Character No.: **675462-92**

9200 ENT - Principal

This account reflects the principal payment for the Water Revenue Bond, Series 2003A. The request for the forthcoming fiscal year is based on the projected amortization schedule.

9209 ENT - Principal - Clearing

This is the clearing account for the sub-object 9200, ENT - Principal.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Storage Facilities Revenue Bonds

Index No.: 675462

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$4,694,291	\$4,812,941	\$1,018,355
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	469,847	414,291	369,968
Expenditures - (Decrease) fund balance	(258,131)	(4,114,259)	(1,210,443)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	211,716	(3,699,968)	(840,475)
Adjustments to Reserves/Encumbrances:			
Increase/(Decrease) in Bonds Payable	(51,207)	(1,552)	0
Principal Payments on Bonds	(45,000)	(96,207)	(99,311)
Amortization of Bond Discount	319	319	319
Amortization of Bond Issuance Costs	2,822	2,822	2,822
Net Adjustment - Increase/(Decrease) to Fund Balance	(93,066)	(94,618)	(96,170)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	4,812,941	1,018,355	81,710
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$118,650	(\$3,794,586)	(\$936,645)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$4,383,393	\$4,491,081	
Cash with fiscal agent/trustee	458,027	523,268	
Bonds Payable - current	(45,000)	(96,207)	
Interest Payable	(102,129)	(105,201)	
Total Beginning Fund Balance	\$4,694,291	\$4,812,941	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: COMMON FACILITIES REVENUE BONDS
 Section/Index No: 675454

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$7,500	\$7,366	(\$134)	(1.78%)
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$7,500	\$7,366	(\$134)	(1.78%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
4200 Long Term Debt Proceeds	\$0	\$0	\$0	N/A
4209 Long Term Debt Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$499,248	\$498,641	(\$607)	(0.12%)
Subtotal Miscellaneous Revenues	\$499,248	\$498,641	(\$607)	(0.12%)
TOTAL REVENUES	\$506,748	\$506,007	(\$741)	(0.15%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
6635 Fiscal Agent Fees	\$1,000	\$1,040	\$40	4.00%
6640 Debt Issuance Costs	3,951	3,950	(1)	(0.03%)
Subtotal Services and Supplies	\$4,951	\$4,990	\$39	0.79%
<u>OTHER CHARGES</u>				
7920 Long-Term Interest	\$291,869	\$289,130	(\$2,739)	(0.94%)
7923 Discount / Bonds	\$446	\$446	\$0	0.00%
Subtotal Other Charges	\$292,315	\$289,576	(\$2,739)	(0.94%)
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$5,450,000	\$600,000	(\$4,850,000)	(88.99%)
Subtotal Other Financing Uses	\$5,450,000	\$600,000	(\$4,850,000)	(88.99%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$136,863	\$139,035	\$2,172	1.59%
9209 Ent - Principal Clearing	(136,863)	(139,035)	(2,172)	1.59%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$5,747,266	\$894,566	(\$4,852,700)	(84.43%)
TOTAL NET COST	\$5,240,518	\$388,559	(\$4,851,959)	(92.59%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Common Facilities Revenue Bonds

Character Title: Use of Money and Property

Character No.: 675454-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	294,649
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$7,366</u>

Character Title: Administrative Control

Character No.: 675454-42

4200 ENT - LTD Proceeds

The Wohler-Forestville pipeline project has been funded with revenue bonds issued in FY 02-03. No new appropriations are requested for the next fiscal year.

4209 ENT - LTD Proceeds - Clearing

This is the clearing account for sub-object 4200, ENT - LTD Proceeds

Character Title: Other Financing Sources

Character No.: 675454-46

4625 OT - W/in Special Dist - BOS

The water sales revenue is calculated to meet the revenue requirements of the Common Facilities portion of the Water Revenue Bonds, Series 2003 A. The revenue is required to meet 115% of the annual debt service costs of the bonds. The revenue is initially deposited in the Water Transmission Agency Fund and later transferred to the Common Facilities Revenue Bond, pursuant to the terms of the Sixth Supplemental Ordinance.

Annual Debt Service Requirements

Principal	\$139,035
Interest	289,130
Fiscal Agent Fees	1,040
Debt Issuance Costs	3,950
Discount / Bonds	446
Total Debt Service	<u>433,601</u>
Revenue Requirement (115% x Debt Service)	<u><u>\$498,641</u></u>

Character: **Services and Supplies**

Character No.: **675454-60**

6635 Fiscal Agent Fees

Fiscal Agent Fees are paid to trustee for servicing bonds.

6640 Debt Issuance Costs

Amounts are based on bond amortization schedules. Bond discounts and costs of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: **Other Charges**

Character No.: **675454-75**

7920 Interest

Water Revenue Bonds - Series 2003A, per the bond amortization schedule.

7923 Discount / Bonds

Amounts are based on bond amortization schedules. Bond discounts and cost of issuance are amortized over the life of the bonds. No cash expenditure of funds is required.

Character: **Other Financing Uses**

Character No.: **675454-86**

8625 Operating Transfer Out

This item is used to transfer bond proceeds to Common Facilities Fund to finance construction of projects.

Character: **Administrative Account**

Character No.: **675454-92**

9200 ENT - Principal

This account reflects the principal payment for the Water Revenue Bond, Series 2003A. The request for the forthcoming fiscal year is based on the projected amortization schedule.

9209 ENT - Principal - Clearing

This is the clearing account for the sub-object 9200, ENT - Principal.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Storage Facilities Revenue Bonds

Index No.: 675462

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$4,694,291	\$4,812,941	\$1,018,355
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	469,847	414,291	369,968
Expenditures - (Decrease) fund balance	(258,131)	(4,114,259)	(1,210,443)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	211,716	(3,699,968)	(840,475)
Adjustments to Reserves/Encumbrances:			
Increase/(Decrease) in Bonds Payable	(51,207)	(1,552)	0
Principal Payments on Bonds	(45,000)	(96,207)	(99,311)
Amortization of Bond Discount	319	319	319
Amortization of Bond Issuance Costs	2,822	2,822	2,822
Net Adjustment - Increase/(Decrease) to Fund Balance	(93,066)	(94,618)	(96,170)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	4,812,941	1,018,355	81,710
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$118,650	(\$3,794,586)	(\$936,645)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$4,383,393	\$4,491,081	
Cash with fiscal agent/trustee	458,027	523,268	
Bonds Payable - current	(45,000)	(96,207)	
Interest Payable	(102,129)	(105,201)	
Total Beginning Fund Balance	\$4,694,291	\$4,812,941	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: State Loan Debt Service Fund
 Section/Index No: 675439

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$4,750	\$11,239	\$6,489	136.61%
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$4,750	\$11,239	\$6,489	136.61%
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$1,196,409	\$1,196,407	(\$2)	(0.00%)
Subtotal Miscellaneous Revenues	\$1,196,409	\$1,196,407	(\$2)	(0.00%)
TOTAL REVENUES	\$1,201,159	\$1,207,646	\$6,487	0.54%
EXPENDITURES:				
<u>OTHER CHARGES</u>				
7930 Interest Long-Term	\$438,834	\$421,913	(\$16,921)	(3.86%)
Subtotal Other Charges	\$438,834	\$421,913	(\$16,921)	(3.86%)
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$0	\$800,000	\$800,000	N/A
Subtotal Other Financing Uses	\$0	\$800,000	\$800,000	N/A
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$601,522	\$618,441	\$16,919	2.81%
9209 Ent - Principal Clearing	(601,522)	(618,441)	(16,919)	2.81%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$438,834	\$1,221,913	\$783,079	178.45%
TOTAL NET COST	(\$762,325)	\$14,267	\$776,592	(101.87%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: State Loan Debt Service Fund

Character Title: Use of Money and Property

Character No.: 675439-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	449,559
Projected Interest Rate	<u>2.50%</u>
Projected/Planned Interest on Pooled Cash	\$11,239

Character Title: Other Financing Sources

Character No.: 675439-46

4625 OT - W/in Special Dist - BOS

The construction of the Collector No.6 was funded with a state revolving fund (SRF) loan from the State Department of Water Resources (SDWSRF Contract SRF 1997CX107, Project # 4910020-04) for \$15.8 million. The water sales revenue is calculated to meet the 115% of the annual debt service costs of the SRF loan. The revenue is initially deposited in the Water Transmission Agency Fund and later transferred to the State Loan Debt Service fund, pursuant to the terms of the Sixth Supplemental Ordinance.

Annual Debt Service Requirements

Principal	\$618,441	
Interest	<u>421,913</u>	
Total Debt Service		1,040,354
Revenue Requirement (115% x Debt Service)	<u>\$1,196,407</u>	

Character Title: Other Charges

Character No.: 675439-75

7930 Interest - Long Term Debt

This account records the interest expense for the SRF loan. The interest rate is anticipated to be approximately 2.8% annually.

Character Title: Other Financing Uses

Character No.: 675439-85

8625 - Operating Transfer Out

This item is used to transfer excess accumulated debt service charges collected in the Agency O&M fund and transferred to the State Loan Debt Service Fund. These excess charges resulted from delays in the Collector No. 6 project that delayed the amount of principal payments on the loan. An adjustment will be needed in subsequent years to account for the amount refunded to NMWD.

9200 ENT - Principal

This account reflects the principal payment for the State Revolving Fund Loan. The request for the forthcoming fiscal year is based on the projected amortization schedule.

9209 ENT - Principal - Clearing

This is the clearing account for the sub-object 9200, ENT - Principal.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: State Loan Debt Service Fund

Index No.: 675439

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$0	\$656,475	\$765,920
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	851,869	846,954	1,207,646
Expenditures - (Decrease) fund balance	(195,394)	(438,834)	(1,221,913)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	656,475	408,120	(14,267)
Adjustments to Reserves/Encumbrances:			
Principal Payments on SRF Loan	0	(298,675)	(618,441)
Net Adjustment - Increase/(Decrease) to Fund Balance	0	(298,675)	(618,441)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	656,475	765,920	133,212
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$656,475	\$109,445	(\$632,708)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$0	\$656,475	
Total Beginning Fund Balance	\$0	\$656,475	

FY 2005-06 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: State Loan Reserve Fund
Section/Index No: 675447

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$3,250	\$0	(\$3,250)	(100.00%)
1760 Investment Income	0	0	0	N/A
Subtotal Use of Money	\$3,250	\$0	(\$3,250)	(100.00%)
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$119,641	\$119,640	(\$1)	(0.00%)
Subtotal Miscellaneous Revenues	\$119,641	\$119,640	(\$1)	(0.00%)
TOTAL REVENUES	\$122,891	\$119,640	(\$3,251)	(2.65%)
EXPENDITURES:				
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
TOTAL NET COST (Expenditures Minus Revenues)	(\$122,891)	(\$119,640)	\$3,251	(2.65%)

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: State Loan Reserve Fund

Character Title: Use of Money and Property

Character No.: 675447-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	0
Projected Interest Rate	2.50%
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Projected/Planned Interest on Pooled Cash	\$0

Character Title: Other Financing Sources

Character No.: 675447-46

4625 OT - W/in Special Dist - BOS

The construction of the Collector No.6 was funded with a state revolving fund (SRF) loan from the State Department of Water Resources (SDWSRF Contract SRF 1997CX107, Project # 4910020-04) for \$15.8 million. The terms of the contract require the Agency to accumulate a reserve fund equal to two semiannual payments during the first 10 years of the loan contract. The water sales revenue is calculated to meet the 115% of the annual reserve amount required. The revenue is initially deposited in the Water Transmission Agency Fund and later transferred to the State Loan Reserve fund, pursuant to the terms of the Sixth Supplemental Ordinance.

Annual Debt Service Requirements

Reserve Amount	<hr/> \$104,035
Revenue Requirement (115% x Reserve Amt.)	<hr/> <hr/> \$119,640

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: State Loan Reserve Fund

Index No.: 675447

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$0	\$0	\$0
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	75,401	75,475	119,640
Expenditures - (Decrease) fund balance	0	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	<u>75,401</u>	<u>75,475</u>	<u>119,640</u>
Adjustments to Reserves/Encumbrances:			
Increase in Reserve	(75,401)	(75,475)	(119,640)
Net Adjustment - Increase/(Decrease) to Fund Balance	<u>(75,401)</u>	<u>(75,475)</u>	<u>(119,640)</u>
Undesignated/Unreserved <u>ENDING</u> Fund Balance	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
Available for Budgeting	0	0	0
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$0	\$0	\$0
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$0	\$75,401	
Reserve	0	(75,401)	
Total Beginning Fund Balance	<u>\$0</u>	<u>\$0</u>	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: STORAGE FACILITIES

Section/Index No: 675405

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$7,500	\$16,952	\$9,452	126.02%
Subtotal Use of Money	\$7,500	\$16,952	\$9,452	126.02%

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$4,475,000	\$1,000,000	(\$3,475,000)	(77.65%)
Subtotal Other Financing Sources	\$4,475,000	\$1,000,000	(\$3,475,000)	(77.65%)

RESIDUAL EQUITY TRANSFER IN

4865 Residual Equity Transfer In	\$0	\$0	\$0	N/A
Subtotal Residual Equity Transfer In	\$0	\$0	\$0	N/A

TOTAL REVENUES	\$4,482,500	\$1,016,952	(\$3,465,548)	(77.31%)
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EXPENDITURES:

FIXED ASSETS

8510 Buildings/Improvements	\$0	\$0	\$0	N/A
9150 Kawana Springs Res Pipeline	0	0	0	N/A
9157 Cotati Res. Revegetation	2,500	0	(2,500)	(100.00%)
9162 Kawana to Ralphine Tanks	50,000	1,000,000	950,000	1900.00%
9168 Kawana Springs Tank # 2	4,075,000	207,000	(3,868,000)	(94.92%)
9169 Cotati-Kastania Booster Station	0	0	0	N/A
Subtotal Fixed Assets	\$4,127,500	\$1,207,000	(\$2,920,500)	(70.76%)

TOTAL EXPENDITURES	\$4,127,500	\$1,207,000	(\$2,920,500)	(70.76%)
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TOTAL NET COST	(\$355,000)	\$190,048	\$545,048	(153.53%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Storage Facilities

Character Title: Use of Money and Property

Character No.: 675405-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	678,070
Projected Interest Rate	2.50%
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Projected/Planned Interest on Pooled Cash	\$16,952

Character Title: Other Financing Sources

Character No.: 675405-46

4625 OT - W/in Special Dist - BOS

This item records transfers of funds into the Storage Facilities fund to provide for planned capital projects. The next fiscal year's request records the following transfer into the Storage Facilities fund - per the recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement.

Storage Facilities Revenue Bond Fund	\$1,000,000
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Character: Fixed Assets

Character No.: 675405-85

9162 Kawana to Ralphine Pipeline

\$1,000,000

Funding is requested to continue an alignment study for the two portions of the Kawana to Ralphine Pipeline. The Kawana to Ralphine Pipeline will connect the new Kawana Springs tanks to the Ralphine tanks. The two portions of the study include the Farmers Lane Extension portion (\$76,000) and the portion from Bennett Valley to the Ralphine Tanks (\$25,000). The alignment study is expected to take several years to complete.

9168 Kawana Springs Tank # 2

\$207,000

This item is requested for design services and construction of the Kawana Springs Tank No. 2. Kawana Springs Tank No. 2 is a 10 million gallon tank to be located adjacent to Kawana Springs Tank No. 1.

TOTAL	\$1,207,000
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FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Storage Facilities

Index No.: 675405

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	(\$471,347)	\$757,026	\$773,095
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	931,430	3,908,000	1,016,952
Expenditures - (Decrease) fund balance	(375,961)	(3,891,931)	(1,207,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	555,469	16,069	(190,048)
Adjustments to Reserves/Encumbrances:			
Outstanding Encumbrances - Net Change	939,989	0	
Capitalized Interest	(267,085)	0	
PY CIP Adjustment - reclass to PY expense	0	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	672,904	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	757,026	773,095	583,047
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$1,228,373	\$16,069	(\$190,048)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$950,427	\$1,012,726	
Accounts Payable	(84,754)	(246,269)	
Contract Retention Payable	(387,600)	0	
Encumbrances	(949,420)	(9,431)	
Total Beginning Fund Balance	(\$471,347)	\$757,026	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: PIPELINE FACILITIES

Section/Index No: 675413

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$1,250	\$15,809	\$14,559	1164.70%
Subtotal Use of Money	\$1,250	\$15,809	\$14,559	1164.70%

MISCELLANEOUS REVENUES

4625 OT - W/in Special Dist - BOS	\$2,900,000	\$0	(\$2,900,000)	(100.00%)
Subtotal Miscellaneous Revenues	\$2,900,000	\$0	(\$2,900,000)	(100.00%)

TOTAL REVENUES	\$2,901,250	\$15,809	(\$2,885,441)	(99.46%)
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EXPENDITURES:

FIXED ASSETS

9163 Eldridge-Madrone Pipeline	\$2,995,000	\$15,000	(\$2,980,000)	(99.50%)
Subtotal Fixed Assets	\$2,995,000	\$15,000	(\$2,980,000)	(99.50%)

OTHER FINANCING USES

8625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Uses	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$2,995,000	\$15,000	(\$2,980,000)	(99.50%)
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TOTAL NET COST	\$93,750	(\$809)	(\$94,559)	(100.86%)
<i>(Expenditures Minus Revenues)</i>				

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Pipeline Facilities

Character Title: Use of Money and Property

Character No.: 675413-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	632,350
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$15,809</u>

Character Title: Other Financing Sources

Character No.: 675413-46

4625 OT - W/in Special Dist - BOS

This item is used to transfer bond proceeds to complete the construction of the Eldridge-Madrone pipeline project. The Eldridge-Madrone pipeline consists of approximately 8,300 lineal feet of pipe and necessary appurtenances from the Eldridge Tanks to approximately Madrone Road in the Valley of the Moon. No transfer is planned in FY 05-06 and the remaining costs will be funded out of fund balance.

Character: Fixed Assets

Character No.: 675413-85

9163 Eldridge-Madrone Pipeline

\$15,000

This item is requested for completing the construction of the Eldridge-Madrone pipeline.

FY 2005-06 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission
Section: Pipeline Facilities
Index No.: 675413

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	(\$125,835)	\$623,950	\$631,950
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	1,073,479	2,608,000	15,809
Expenditures - (Decrease) fund balance	(386,672)	(2,600,000)	(15,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	686,807	8,000	809
Adjustments to Reserves/Encumbrances:			
Outstanding Encumbrances - Net Change	75,370	0	
Capitalized Interest	(12,392)	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	62,978	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	623,950	631,950	632,759
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$749,785	\$8,000	\$809
<u>Fund Balance Components at Beginning of FY</u>	7/1/03	7/1/04	
Cash	\$15,035	\$655,854	
Accounts Payable	(45,108)	(11,512)	
Encumbrances	(95,762)	(20,392)	
Total Beginning Fund Balance	(\$125,835)	\$623,950	

FY 2005-06 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: **COMMON FACILITIES**

Section/Index No: **675421**

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$25,000	\$13,644	(\$11,356)	(45.43%)
Subtotal Use of Money	\$25,000	\$13,644	(\$11,356)	(45.43%)

ADMINISTRATIVE CONTROL

4200 ENT - LTD Proceeds	\$0	\$0	\$0	N/A
4209 ENT - LTD Proceeds - Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$5,450,000	\$1,600,000	(\$3,850,000)	(70.64%)
Subtotal Other Financing Sources	\$5,450,000	\$1,600,000	(\$3,850,000)	(70.64%)

TOTAL REVENUES	\$5,475,000	\$1,613,644	(\$3,861,356)	(70.53%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6103 Liability Insurance	\$107,758	\$107,758	\$0	0.00%
6522 District Services	80,000	80,000	0	0.00%
7297 Riverfront Park Levee Maint	0	0	0	N/A
Subtotal Services and Supplies	\$187,758	\$187,758	\$0	0.00%

OTHER CHARGES

7930 Interest Long Term Debt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

FIXED ASSETS

9112 Mirabel Site Improvements	\$339,000	\$0	(\$339,000)	(100.00%)
9113 Wohler Site Improvements	360,000	310,000	(50,000)	(13.89%)
9114 River Well Field Development	0	600,000	600,000	N/A
9128 pH Control System	0	0	0	N/A
9130 Transmission System Expansion	1,000,000	1,350,000	350,000	35.00%

SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 675421

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
<u>FIXED ASSETS (Continued)</u>				
9136 Production Wells Improv.	\$50,000	\$0	(\$50,000)	(100.00%)
9152 Pump & Collector Capacity	1,335,000	0	(1,335,000)	(100.00%)
9164 Emergency Power for Trans. System	1,050,000	0	(1,050,000)	(100.00%)
9170 Riverfront Park Reclamation	371,000	55,000	(316,000)	(85.18%)
<i>Subtotal Fixed Assets</i>	\$4,505,000	\$2,315,000	(\$2,190,000)	(48.61%)
TOTAL EXPENDITURES	\$4,692,758	\$2,502,758	(\$2,190,000)	(46.67%)
TOTAL NET COST <i>(Expenditures Minus Revenues)</i>	(\$782,242)	\$889,114	\$1,671,356	(213.66%)

FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: Common Facilities

Character Title: Use of Money and Property

Character No.: 675421-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	545,745
Projected Interest Rate	2.50%
Projected/Planned Interest on Pooled Cash	<u>\$13,644</u>

Character Title: Administrative Control

Character No.: 675421-42

4200 ENT - LTD Proceeds

The construction of Collector No. 6 was funded with a state revolving fund loan from the State Department of Health Services. No funds are requested for the next fiscal year.

4209 ENT - LTD Proceeds - Clearing

This is the clearing account for sub-object 4200, ENT - LTD Proceeds

Character Title: Other Financing Sources

Character No.: 675421-46

4625 OT - W/in Special Dist - BOS

This item records transfers of funds into the Common Facilities fund to provide for planned capital projects.

Character Title: Services and Supplies

Character No.: 675421-60

6103 Liability Insurance

This item records anticipated liability insurance costs required by the State Loan for the Collector No. 6 project.

6522 District Services

This item is requested to provide for the charging of salaries, benefits and overhead costs for staff assigned to projects budgeted within the Common Facilities Fund.

Character: Fixed Assets

Character No.: 675421-85

<i>9113 Wohler Site Improvements</i>	PCAS No. 3882	\$310,000
Funding is requested for replacing Collectors 1&2 surge protectors.		
<i>9114 River Well Field Development</i>	PCAS No. 3706	\$600,000
Funding is requested to winterize the Russian River Well Field		

9130 Transmission System Expansion

\$1,350,000

Funding is requested for the following projects:

Diversion Alternatives

PCAS No. 3353

750,000

This item is requested to provide funds for engineering planning and environmental studies associated with the Water Supply and Transmission Project.

Mirabel-Cotati Pipeline

PCAS No. TBD

100,000

This item is requested to provide funds for engineering planning and environmental studies associated with the Mirabel-Cotati Pipeline Project.

Water Project EIR

PCAS No. 3071

500,000

This item is requested to allow completion the first year of a two-year effort to prepare the environmental documentation for a number of water transmission system facilities.

9170 Riverfront Park Reclamation

\$55,000

This item is requested to finalize the reclamation work at the Riverfront Park, of which the majority of work was completed in the prior fiscal year.

TOTAL**\$2,315,000****9200 ENT - Principal**

This account was used to reflect the principal payment for the State Revolving Fund Loan. For the next fiscal year, that principal is being paid out of a separate fund set up for recording the state loan debt service (see index 675439).

9209 ENT - Principal - Clearing

This is the clearing account for the sub-object 9200, ENT - Principal.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: Common Facilities

Index No.: 675421

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	(\$3,945,408)	(\$5,740,948)	\$990,311
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	1,471,884	5,500,000	1,613,644
Expenditures - (Decrease) fund balance	(5,589,086)	(5,871,206)	(2,502,758)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(4,117,202)	(371,206)	(889,114)
Adjustments to Reserves/Encumbrances:			
Loan / Bond Proceeds	4,530,095	7,102,465	
Outstanding Encumbrances - Net Change	(1,614,817)	0	
Capitalized Interest	(593,876)	0	
PY CIP adjustment - reclass to PY	260	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	2,321,662	7,102,465	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	(5,740,948)	990,311	101,197
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	(\$1,795,540)	\$6,731,259	(\$889,114)
<u>Fund Balance Components at Beginning of FY</u>	7/1/03	7/1/04	
Cash	\$3,989,760	\$2,930,301	
Accounts Payable	(1,261,142)	(831,941)	
Contract Retention Payable	(449,531)	0	
Encumbrances	(6,224,495)	(7,839,312)	
Total Beginning Fund Balance	(\$3,945,408)	(\$5,740,952)	

FY 2005-06 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: NORTH MARIN WATER DEPOSIT
Section/Index No: 675512

Sub-Object No. and Title	Adopted 2004-05	Requested 2005-06	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$225	\$251	\$26	11.67%
Subtotal Use of Money	\$225	\$251	\$26	11.67%

INTERGOVERNMENTAL REVENUES

2900 Other Government Agencies	\$0	\$0	\$0	N/A
Subtotal Intergovernmental Revenues	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A

TOTAL REVENUES	\$225	\$251	\$26	11.67%
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EXPENDITURES:

OTHER CHARGES

8010 Contribution Non-Co Govt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$0	\$0	N/A
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TOTAL NET COST (Expenditures Minus Revenues)	(\$225)	(\$251)	(\$26)	11.67%
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FY 2005-06 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Water Transmission

Section Title: North Marin Water Deposit

Character Title: Use of Money and Property

Character No.: 675512-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends. No amount is being requested as a result of North Marin Water District's request to have available cash balances transferred to NMWD for cash management and investing purposes.

Character Title: Other Financing Sources

Character No.: 675512-46

4625 OT - W/in Special Dist - BOS

Transfer in from Water Transmission Agency Fund (675108) - for capital improvements - per the recommendation of the Water Advisory Committee, pursuant to the terms of the Master Water Supply Agreement. Amendment No. 11 to the Master Water Supply Agreement provides that if money received from the Operations and Maintenance Charge (O&M) is appropriated for expenditures for storage facilities then, at the time of transfer, an amount shall also be transferred to North Marin's account in proportion to the O&M Charge paid by North Marin to the total O&M Charge received by the Agency during the prior fiscal year. No transfer is planned for the next fiscal year.

Character: Other Charges

Character No.: 675512-75

8010 Contribution Non-Co Government

This item records payment, to North Marin Water District, of funds deposited to the North Marin Water Deposit fund as authorized by Amendment No. 11 to the Master Water Supply Agreement. The North Marin Water District has requested to handle its own cash management and investments.

FY 2005-06 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Water Transmission

Section: North Marin Water Deposit

Index No.: 675512

DESCRIPTION OF FUND ACTIVITY	Actual FY 03-04	Estimated FY 04-05	Requested FY 05-06
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$9,408	\$9,700	\$9,925
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	292	225	251
Expenditures - (Decrease) fund balance	0	0	0
Net Surplus or Deficit - Increase/(Decrease) to fund balance	292	225	251
Adjustments to Reserves/Encumbrances:			
No adjustments required at this time.	0	0	
Net Adjustment - Increase/(Decrease) to Fund Balance	0	0	0
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	9,700	9,925	10,176
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$292	\$225	\$251
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/03</u>	<u>7/1/04</u>	
Cash	\$13,639	\$13,931	
Deposit from others	(4,231)	(4,231)	
Total Beginning Fund Balance	\$9,408	\$9,700	